Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Text

LIMITED OFFICIAL USE

PAGE 01 TOKYO 11581 060913Z

21
ACTION TRSE-00

INFO OCT-01 EUR-25 EA-11 ISO-00 AID-20 CIAE-00 COME-00

EB-11 FRB-03 INR-11 NSAE-00 RSC-01 XMB-07 OPIC-12

SP-03 CIEP-03 LAB-06 SIL-01 OMB-01 NSC-07 SS-20

STR-08 CEA-02 DODE-00 PM-07 H-03 L-03 PA-04 PRS-01

USIA-15 AGR-20 IO-14 NEA-14 SWF-02 DRC-01 /237 W
---------- 047255
P R 060837Z SEP 74
FM AMEMBASSY TOKYO
TO SECSTATE WASHDC PRIORITY 4407
INFO AMEMBASSY LONDON
USMISSION EC BRUSSELS

LIMITED OFFICIAL USE TOKYO 11581

PASS TREASURY FOR BENNETT AND EXIM BANK

E.O. 11652: NA
TAGS: EFIN JA
SUBJ: EXPORT CREDITS MEETING SEPT 10-11

REF: A. TOKYO 10949; B. TOKYO 11264; C. EC BRUSSELS 6702;
D. EC BRUSSELS 6757

SUMMARY: JAPANESE APPEAR SOMEWHAT MORE FLEXIBLE TOWARD CONDITIONS FOR GENTLEMEN'S AGREEMENT ON EXPORT CREDITS THAN REPORTED IN REFTELS. END SUMMARY.

1. MOF OFFICIEL (SAGAMI) SAYS GOJ WILL ATTEND BRUSSELS MEETING WITH SAME SPIRIT OF COOPERATION AS IN OECD TALKS. MOF HAS PRESSURED MITI, WHICH HAS PRIME RESPONSILBILITY FOR EXPORT CREDIT POLICY, TO ALLOW GOJ SOMEWHAT MORE FLEXIBLE ATTITUDE IN MEETING, IF IT BECOMES APPARENT THAT EC WILL ALSO BE FLEXIBLE IN ACCOMMODATING GOJ DESIRES.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 TOKYO 11581 060913Z

OFFICIAL BELIEVES THERE IS ROOM FOR NEGOTIATION, E.G.,

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

IF THERE WERE AN EXEMPTION FOR LARGE PROJECTS AND THE RATE OF INTEREST DID NOT HAVE TO BE HIGHER ON SUCH LOANS HAVING LONGER MATURITIES. THIS SUGGESTS TO EMBASSY THAT GOJ WILL NO LONGER INSIST ON 7 PERCENT MINIMUM RATE. PROSPECTIVE 0.5 PERCENT RISE IN JAPANESE DOMESTIC RATES MAY BE A FACTOR. ON NEW ISSUES OF AA INDUSTRIAL BONDS EFFECTIVE YIELD WILL GO UP TO 9.7 PERCENT. WHETHER GOJ WOULD BE WILLING TO AGREE TO 8 PERCENT MINIMUM MIXED RATE IS NOT CLEAR.

2. OFFICIAL SAID MOF HAS SOUGHT TO PLAY BROKER ROLE IN GETTING MORE FLEXIBILITY IN GOJ POSITION. MOF IN TURN HOPES USG WILL PLAY IMPORTANT ROLE DURING MEETING OF MEDIATING DIFFERENCES BETWEEN EC AND GOJ POSITIONS. MOF REP MIYAHARA HAS INSTRUCTIONS TO KEEP IN CLOSE TOUCH WITH TREASURY DELEGATION IN EFFORT TO FIND WAYS AT MEETING TO REACH AN AGREEMENT WHICH GOJ COULD ACCEPT. IT APPEARS TO EMBASSY THAT GOJ MAY BE AWARE THAT EC WILLING TO GO AHEAD WITH AGREEMENT EVEN WITHOUT JAPANESE CONCURRENCE (REF C).

3. EMBASSY HAS ALSO DISCUSSED FORTHCOMING MEETING WITH FONOFF OFFICIALS (TESHIMA, DEPDIRGEN, ECO AFFAIRS BUREAU, AND OTHERS), WHO, WHILE NOT GIVING DETAILS ON NEGOTIATING POSITION, ALSO INDICATED STRONG DESIRE ON JAPAN'S PART TO WORK TOWARD AGREEMENT AND TO AVOID BEING LEFT OUT OF ANY ARRANGEMENT OTHERWISE MUTUALLY ACCEPTABLE TO US AND EC.
HODGSON

LIMITED OFFICIAL USE

NNN

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, MEETINGS, GOVERNMENT MINISTRIES, EXPORT CREDIT GUARANTEES, INTEREST RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 06 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974TOKYO11581
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740247-0786
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740966/aaaacefq.tel
Line Count: 90
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. TOKYO 10949; B. TOKYO 11264; C. E, C BRUSSELS 6702;
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 APR 2002 by collinp0>; APPROVED <27 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXPORT CREDITS MEETING SEPT 10-11
TAGS: EFIN, JA, EEC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005